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**FISCAL IMPACT STATEMENT**

**LS 7126**

**BILL NUMBER:** SB 300

**NOTE PREPARED:** Jan 3, 2015

**BILL AMENDED:**

**SUBJECT:** Recidivism Reduction Pilot Project.

**FIRST AUTHOR:** Sen. Taylor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ GENERAL  
☒ DEDICATED  
☒ FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** The bill requires the Department of Correction (DOC) to identify the 10 counties, not including Marion County, from which the greatest number of offenders have been admitted to the Department, and permits these counties to participate in the three-year Major Sentencing County Recidivism Reduction Pilot Project (Pilot Project).

The bill establishes criteria for the Pilot Project and permits the DOC to award financial assistance to a county participating in the Pilot Project.

The bill provides that an individual participating in the pilot project is eligible for benefits under the federal SNAP and TANF programs.

**Effective Date:** Upon passage; July 1, 2015.

**Explanation of State Expenditures:** *Major Sentencing County Recidivism Reduction Pilot Project:* The bill would allow the DOC commissioner to award financial assistance from the mental health and forensic treatment services account to a circuit or superior court conducting a three-year pilot program that provides evidence-based services for persons participating in a diversion program, alternate misdemeanor sentencing programs, probation, community corrections, home detention, or other community correction program.

The mental health and forensic treatment services account was established in 2014 and currently may be used to make grants to the Marion County Recidivism Reduction Pilot Project. The bill would expand the number of pilot programs that could be funded from the account. The bill does not make an appropriation.

Additionally, the bill makes individuals participating in the Pilot Project eligible for TANF and SNAP benefits. Participants would have to meet income and other eligibility criteria to receive benefits. Any expansion in the number of individuals who are eligible for TANF or SNAP benefits could increase state expenses for (1) TANF benefits and administration, (2) SNAP administration, (3) Indiana Manpower Placement and Comprehensive Training (IMPACT), and (4) Medicaid. Because the potential number of individuals who may qualify for these programs and who would be involved in the Pilot Project is unknown, increases in state expenses are indeterminable.

*Additional Information:*

*Pilot Project Participants:* The DOC will identify 10 counties, not including Marion County, from which the largest number of adult offenders have been admitted to the DOC between July 1, 2010, and May 15, 2015. The list will be sent to the Indiana Judicial Center, which will forward the information to the appropriate judge in each major sentencing county. The number of pilot programs and participants is indeterminate and will be based on the actions of circuit or superior court of the 10 major sentencing counties and the programs developed by these courts.

Although the DOC will specify the criteria to determine the 10 major sentencing counties and the data is not yet available or complete for the effective time period, a count of prison admissions from 2010 to 2013 shows the following 15 counties as having the highest DOC admissions. It is most likely that the 10 major sentencing counties will come from among these listed.

<b>County</b>	<b>Count of Admissions</b>	<b>County</b>	<b>Count of Admissions</b>
Allen	2,370	Elkhart	894
Vanderburgh	1,501	Tippecanoe	735
Madison	1,454	Hendricks	604
Lake	1,385	Dearborn	562
St. Joseph	1,360	Huntington	557
Wayne	1,163	Vigo	557
Hamilton	1,079	Shelby	502
Johnson	1,052		

*Mental Health and Forensic Treatment Services Account:* HEA 1268-2014 established the mental health and forensic treatment services account to provide grants or vouchers for the provision of mental health and addiction forensic treatment services for support services to individuals who have entered the criminal justice system as a felon or with a prior felony conviction. Money in the account is to come from appropriations, grants, gifts, and bequests and may be used to award financial assistance to the Marion County Recidivism Reduction Pilot Project. The account received an appropriation of \$2.0 M, which was granted to the project in FY 2015.

*SNAP and TANF Program Information:* SNAP benefits are provided solely by the federal government. The state is responsible for 50% of the administrative costs of the SNAP program.

TANF assistance is shared between state and federal governments. However, the federal share is provided through a capped block grant allocation with a maintenance-of-effort (MOE) requirement. Program administrative costs in excess of the capped allocation are financed by the state. The state contributes roughly 1/3 of the benefits in the TANF program. Eligible individuals would receive a monthly TANF benefit amount of either \$90 or \$58.50, depending on family size.

Currently, individuals with felony drug convictions who are participating in a reentry court program are eligible for SNAP and TANF for a maximum of 12 months.

More individuals could be eligible for SNAP and TANF benefits, but participants in the pilot project would still be required to meet income and other eligibility criteria for each program. For TANF, offenders would need to be parental adults and would only be able to receive TANF benefits for a maximum of 24 months (the maximum benefit period for all adults).

FSSA provided data on the number of TANF and SNAP case closures and denials for individuals with felony drug-related convictions for the period between FY 2010 and FY 2012.

<b>Fiscal Year</b>	<b>TANF</b>	<b>SNAP</b>	<b>Total</b>
<b>2010</b>	2,205	13,574	15,779
<b>2011</b>	2,372	14,828	17,200
<b>2012</b>	2,170	15,057	17,227

If the number of individuals receiving SNAP and TANF benefits increases, some of these recipients could be required to participate in the IMPACT program. IMPACT program expenditures are shared equally with the federal government, so increases in state expenditures would be partially offset with federal funds.

Expanding the number of individuals who are eligible for TANF could also increase the number of children who are Medicaid-eligible. As a result, state Medicaid expenditures could increase, but by an indeterminable amount. Medicaid is a joint state-federal program where approximately 67% of program expenditures are reimbursed by the federal government.

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Major Sentencing County Recidivism Reduction Pilot Project:* There will be 10 county circuit or superior courts that may each establish a three-year pilot project to provide mental health and addiction forensic treatment services to reduce the risk of recidivism among persons whose participation in the program is an alternative to commitment to the DOC. If established, the courts would be required to report to the Legislative Council each October 1 on the recidivism rates of participants, the cost and cost savings of the program, opportunities for replication, and other information requested by the Legislative Council.

Participants in the pilot project must be in a program under court or corrections supervision, such as

probation, community corrections, or home detention. They may not be sex or violent offenders or convicted of other violent crimes.

*TANF and SNAP Benefits:* Since offenders with felony drug convictions are not currently eligible for SNAP or TANF, these individuals may be seeking local township assistance benefits. By expanding eligibility, local governments could see a reduction in township assistance applications. However, any decrease is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:** DOC, DMHA, Indiana Judicial Conference.

**Local Agencies Affected:** Circuit or superior courts in counties with high DOC commitment rates.

**Information Sources:** State Auditor's Data; Grant Krevda, FSSA; Jane Segal, Executive Director, Indiana Judicial Center.

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